



America's Voices on Border Security

Experts Discuss Financial Burden of Providing Emergency Healthcare for Illegal Immigrants

"Using state and federal funds to pay for emergency healthcare for illegal immigrants places real burdens on state governments."

- Darin Gordon, Deputy Commissioner Tennessee Bureau of TennCare

August 10, 2006

The House Committee on Energy and Commerce held a hearing today discussing the impact of illegal immigration on our nation's healthcare system. The hearing allowed Members to assess the cost to the taxpayer of providing free emergency care to illegal immigrants.

At the hearing, members heard from three panels of experts. Excerpts from some of the panel members' testimonies are below:

Darin Gordon

Deputy Commissioner

Tennessee Bureau of TennCare

"Using state and federal funds to pay for emergency healthcare for illegal immigrants places real burdens on state governments in addition to the entire healthcare delivery system. Our program's experience can offer some insight into the effects of illegal immigration in Medicaid programs and its effects on Tennessee's health care providers."

"Tennessee's Medicaid program experience has been that this federal mandate involves an extremely small number of individuals compared to our program's total population of 1.2 million people. For example, in July 2006, TennCare was required under federal mandate to pay for 62 illegal immigrants' emergency care

services. The total combined cost for these 62 individuals was approximately \$1.7 million."

Richard Flores

**Vice President of Revenue Cycle
LifePoint Hospital**

"As you know, the federal Emergency Medical Treatment and Active Labor Act, called EMTALA, requires hospitals to treat anyone who comes through the door, regardless of their immigration status. This federal law prohibits hospitals from asking anyone who comes to the emergency room any financial information until they are screened. By that time, they have become our patients. It would be an impossible task for hospitals to determine a patient's legal status prior to providing care due to federal rules and regulations."

"Tennessee hospitals are experiencing unprecedented uncompensated care (charity and bad debts) levels. Tennessee claims data show a continuing increase in uninsured volumes. From calendar year 2004 to calendar year 2005, the cost to Tennessee hospitals of treating the uninsured in the emergency room increased by \$144 million. In 2005, the unreimbursed TennCare cost, combined with the cost of charity care, bad debt and medically indigent care, reached over \$1 billion."

Gary R. Perrizo

**Director of Patient Accounting
Vanderbilt University Medical Center**

"For illegal immigrants who had received emergency admissions at Vanderbilt in 2005, more than 20% returned for follow-up care that was not covered by the TennCare program and those costs are not included in our estimates above."

"Now let me discuss a second category of patients -- illegal immigrants who are seen for emergency care but not admitted to the hospital. The total unreimbursed cost of these visits to the Medical Center is approximately \$858,000."

"Based on these figures, I estimate that our annual cost of unreimbursed care for services provided to illegal immigrants is about \$3.8 million. It is a significant contribution but pales in comparison to the overall price tag that Vanderbilt bears in providing uncompensated care within our community."

“We are morally and legally obligated to provide care for anyone who is in urgent need. It is consistent with our mission and it is consistent with the compassion of the just society in which we live.”

“But that moral commitment and legal requirement to care for those in need has come to carry a significant price tag for hospitals and doctors alike especially those at our nation’s academic medical centers.”

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